

NATIONAL CANNERS ASSOCIATION INFORMATION LETTER

PUBLICATION OR REPRODUCTION NOT PERMITTED

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TAX LEVIED ON FRUIT JUICES

The revenue bill as finally adopted provides for a tax of 2 cents per gallon upon all unfermented fruit juices (except grape juice), in natural or slightly concentrated form, or such fruit juices to which sugar has been added (as distinguished from finished or fountain syrups), intended for consumption as beverages with the addition of water or water and sugar. The manufacturer is required to make monthly returns under oath in duplicate and to pay the tax under regulations to be prescribed by the Commissioner of Internal Revenue. If a tax is not paid, when due, there is to be added as part of the tax interest at the rate of 1 per cent a month from the time the tax became due until paid. Each person required to pay the tax is required to procure and keep posted a certificate of registry in accordance with regulations to be prescribed.

This section of the revenue bill becomes effective on the fifteenth day after the date of enactment, that is, on June 21. The Internal Revenue Bureau is now engaged in formulation of the regulations.

Inquiries having been made whether tomato juice would be taxable under this section of the law, the National Canners Association filed a request for a ruling by the Bureau, which has replied as follows:

Section 615 (a) (3) of the Act imposes a tax upon all unfermented fruit juices in natural or slightly concentrated form intended for consumption as beverages with the addition of water or water and sugar.

It is understood that tomato juice is generally sold in natural form and is intended for consumption in the form in which sold without the addition of water or water and sugar. Under these conditions it is held that tomato juice is not subject to the tax imposed by the above section of the Act.

TAX ON CHECKS

The tax of 2 cents each on checks, drafts or orders for the payment of money, drawn upon any bank, banker, or trust company is effective June 21, and is to be paid by the maker or drawer. Every person paying any of the instruments mentioned

as drawee of such instrument is required to collect the amount of the tax by charging such amount against any deposits to the credit of the drawer or maker.

BUYERS TOLD OF PROTECTION GAINED IN PURCHASING PRODUCTS OF N. C. A. MEMBERS

Members of the Association who have received copies of the pamphlet "What You Get For Your Dues" will be interested to learn that the Association is now sending copies of this pamphlet to an up-to-date list of canned food buyers for wholesale grocers.

The pamphlet is accompanied by a letter calling attention to the services of the Association that are of interest to distributors, emphasizing particularly the consumer complaint investigation service and the protection it affords to distributors who buy products of the Association's members.

WEATHER CONDITIONS

The reaction to warmer weather in the Central Valley states and Northwest, during the week ended June 7, together with widespread rains over most sections between the Appalachian and Rocky Mountains made a decidedly favorable crop week over large and important agricultural areas, according to the U. S. Weather Bureau. There was widespread and mostly substantial precipitation in the interior valleys and northwestern states. In parts of the South and rather generally in Atlantic and Appalachian districts there was little precipitation.

DEPARTMENT STORE SALES IN MAY

Preliminary figures on the value of department store sales show a decline from April to May, contrary to the usual seasonal movement. The Federal Reserve Board's index, which makes allowance both for number of business days and for usual seasonal changes, was 74 in May on the basis of the 1923-1925 average as 100, compared with 80 in April and 72 in March. In comparison with a year ago the value of sales for May, according to the preliminary figures, was 24 per cent smaller. The aggregate for the first five months of the year was 22 per cent smaller.

PANAMA INCREASES IMPORT DUTY ON CANNED FRUIT

The Panaman import duty rate on all canned fruits in syrup, except pineapple, and on all dried fruits has been restored to 15 per cent ad valorem, based on the F. O. B. port of shipment value, according to the Department of Commerce. Since April 1, 1932, the import duty rate on canned fruit had been 10 cents per gross kilo.

CHERRY PRODUCTION IN ITALY AND FRANCE

The American agricultural commissioner at Marseille reports that the total production of fresh cherries in Italy this year is expected to be larger than last year, but in France total production is expected to be less than last year. As prices now offered for cherries in brine are generally not profitable to processors, and as demand from the United States is expected to continue poor next season, it is believed that Italy and France will brine no more and very likely less than last year.

CONDITION OF CANNING CROPS

A report on the condition of peas, tomatoes, snap beans and sweet corn for canning on June 1 has been issued by the Division of Crop and Livestock Estimates, along with which are furnished comparative figures for the same date last year, and the average on this date for the ten years ending with 1930. The figures as issued by the Department of Agriculture follow:

States	Peas			Tomatoes		
	June 1, 1932	June 1, 1931	10-yr. ave. June 1	June 1, 1932	June 1, 1931	10-yr. ave. June 1
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Maine	•	•	•	•	•	•
New York	78	91	88	98	81	89
New Jersey	84	90	81	90	86	83
Pennsylvania	80	88	83	95	84	82
Ohio	73	89	79	91	84	84
Indiana	70	85	83	85	80	75
Illinois	92	88	88	77	90	79
Michigan	76	82	84	•	90	80
Iowa	•	•	•	95	87	82
Minnesota	96	84	88	•	•	•
Wisconsin	89	85	85	•	•	•
Missouri	•	•	•	70	76	80
Delaware	63	78	73	80	81	77
Maryland	74	86	73	80	80	82
Virginia	•	•	•	77	85	77
Kentucky	•	•	•	78	90	72
Tennessee	•	•	•	88	80	78
Arkansas	•	•	•	75	65	78
Montana	95	96	•	•	•	•
Colorado	85	85	91	90	90	84
Utah	86	77	93	83	77	90
California	77	83	76	84	89	91
Washington	100	80	•	•	•	•
Other states†	80	83	78	76	74	82
U. S. average.....	85.2	85.6	84.5	83.5	81.1	81.2

* Too early for a report.

† Other states include for peas Idaho, Iowa, Kansas, Tennessee, Virginia and Wyoming; for tomatoes, Connecticut, Idaho, Kansas, Louisiana, Mississippi, Nebraska, New Mexico, Oklahoma, Oregon, South Carolina, Texas, Washington, West Virginia, and Wisconsin.

States	Snap beans			Sweet corn		
	June 1, 1932	June 1, 1931	10-yr. ave. June 1	June 1, 1932	June 1, 1931	10-yr. ave. June 1
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Maine	50	..	70	80	..	80
New Hampshire .....	..	..	..	80	..	..
Vermont .....	..	..	..	*	..	..
New York	90	98	91	91	78	81
Pennsylvania	80	84	76	85	81	82
Ohio .....	..	..	..	83	80	75
Indiana	93	83	76	89	86	81
Illinois .....	..	..	..	93	92	85
Michigan	*	90	90	*	..	88
Wisconsin	81	95	86	85	84	82
Minnesota .....	..	..	..	94	85	85
Iowa .....	..	..	..	93	92	84
Nebraska .....	..	..	..	85	92	86
Delaware	85	90	86	75	85	81
Maryland	80	88	86	73	90	80
South Carolina	80	78	66	..	..	..
Tennessee	90	85	78	90	86	..
Mississippi	60	60	74	..	..	..
Arkansas	55	60	84	..	..	..
Louisiana	74	65	71	..	..	..
Colorado	*	98	90	..	..	..
Utah	70	90	90	..	..	..
Washington	100	80	76	..	..	..
Oregon	100	75	85	..	..	..
California	82	92	90	..	..	..
Other states†	82	87	80	93	87	82
U. S. average.....	81.0	87.0	84.8	87.9	87.5	82.0

* Too early for report.

† Other states include for snap beans, Alabama, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Minnesota, Missouri, Montana, Nebraska, New Jersey, New Mexico, Ohio, Oklahoma, Texas, Vermont, Virginia, West Virginia and Wyoming; for sweet corn, Colorado, Idaho, Kansas, Kentucky, Missouri, Montana, Oregon, South Dakota, Virginia, Washington, and Wyoming.

JUNE REPORT ON VARIOUS FRUIT CROPS

APPLES.—Condition on June 1 was 58.5, compared with 75.7 last year. In general the crop was set back by late frosts and a light set of fruit is reported in many of the important states. Washington and Oregon, however, report better conditions than a year ago.

CHERRIES.—In the twelve states for which estimates are made the June 1 condition was 67.9 per cent, against 66.9 per cent in 1931. Michigan and California condition was well below that of last year, New York and Oregon considerably higher, and Wisconsin slightly better.

PEACHES.—Condition for the entire country on June 1 was 51.7 of normal as compared with 78.5 per cent on the same date last year. The indicated crop this year is 48,927,000 bushels, or about 63 per cent of last year's crop. California reports a condition of 87 per cent, indicating a crop of 27,792,000 bushels, or nearly 14 per cent larger than the 1931 crop. In the ten southern states the condition on June 1 was 26 per cent, with an indicated production of 6,730,000 bushels, or 30 per cent of the crop last year.

PEARS.—Condition on June 1 was 57.6 per cent, with an indicated production of 21,487,000 bushels, or 93.4 per cent of last year's crop.

CROP BUYERS' ASSISTANCE ASKED IN COLLECTION OF LOANS

The Washington Regional Office of the Crop Production Loan Office has issued a letter to the buyers of vegetable, fruit and truck crops, requesting their cooperation in the collection of amounts due the government on loans made to growers, both last year and this year. With this letter it is furnishing lists of (1) loans made to farmers in the county in which the buyer is now operating and (2) of unpaid balances due the government because of loans made in prior years. These lists are likewise available from the local county seed loan committees. The complete letter follows:

TO THE BUYERS OF VEGETABLE, FRUIT AND TRUCK CROPS:

This spring the Secretary of Agriculture, acting pursuant to the Act of Congress approved January 22, 1932, creating the Reconstruction Finance Corporation, made loans aggregating approximately \$65,000,000 to farmers in the various states. A portion of these funds was used for the purpose of producing the vegetable, fruit and truck crops now being marketed.

These loans are secured by a promissory note and further secured by a first mortgage or lien upon all crops grown and produced by those farmers to whom loans were made. These mortgages are of record in the various counties and, therefore, constitute due legal notice to all buyers of these mortgaged crops that the said Secretary of Agriculture has a first claim to the proceeds thereof. In order that you may have more specific knowledge of such mortgages upon crops in your locality, there is attached hereto a list of loans made to farmers in the county in which you are operating. There is also inclosed another list of unpaid balances due the United States because of loans made in prior years. These loans are not secured by a first mortgage on this year's crops except in those cases where the same person secured a loan this year. Nevertheless, they are just debts and payment is expected. If we have neglected to send you the lists for any county within your trade area, please advise us immediately and we will send you such additional lists as you require.

Your cooperation is earnestly requested in the collection of the amounts due the Secretary of Agriculture by reason of these loans. In the purchase of crops from any individual, it is requested, that before payment of the amount due, you consult these lists. If you find that the individual whose crops you are buying secured a loan from this office, you should draw the check in the amount of the proceeds of that particular transaction in favor of the Secretary of Agriculture and forward such check direct to this office or to our authorized field inspector. Remittances should always be accompanied by a statement showing the loan number, name and address of the borrower for whom the remittance is made.

It may be that you feel that through this request you are being made a collection agent of the Government; however, such is not the case. Under the mortgage laws of your state you are required to protect the interests of the mortgagee. The inclosed lists are furnished in order that you may not be faced with the necessity of examining county records for mortgages against any crops that you may purchase. Consequently, this request and the lists are forwarded to you in order that you may properly protect your-

self in handling crops upon which the Secretary of Agriculture holds a mortgage.

Your cooperation with this office in bringing about full liquidation of these loans will be appreciated.

WHERE INSPECTION AND GRADING SERVICE IS AVAILABLE

In connection with the approval by the Secretary of Agriculture of U. S. grades for canned snap beans to be used in connection with the inspection service and also in the administration of the U. S. Warehouse act, the Bureau of Agricultural Economics has made an announcement with regard to the inspection and grading service. The announcement follows:

The personnel of the Food Products Inspection Service is now available in the markets named below and at all points which can be conveniently reached from these points for the purpose of drawing official samples of canned fruits and vegetables. If it is desired to have samples drawn in a smaller city not shown in the list, communicate with the inspection office nearest the point at which the sampling is desired. Applications for sampling and grading should be addressed by mail, telegraph, or telephone to Food Products Inspection at the address given.

Atlanta, 902 Commercial Exchange Bldg.
Baltimore, 130 Custom House.
Boston, 703 Appraiser's Stores Bldg.
Buffalo, 242 Federal Bldg.
*Chicago, 500 Mercantile Exch. Bldg.,
110 North Franklin St.
Cincinnati, 21 Fruit Exchange Bldg.
Cleveland, Room 10, Northern Ohio
Food Terminal Bldg.
Columbus, 275 South 4th St.
Dallas, 500 New Federal Bldg.
Denver, 312 State Museum Bldg.
Des Moines, 310 New Federal Court
House.
Detroit, 48 Detroit Union Produce Ter-
minal Bldg.
 Fargo, State Seed Commissioner's Office.
Fort Worth, 2312 Fort Worth Nat'l
Bank Bldg.
Harrisburg, 110 South Office Bldg.
Houston, 1305 Prairie Ave.
Indianapolis, 307 Meyer-Kiser Bank
Bldg.
†Jacksonville, 204 St. James Bldg.
Kansas City, 212 Railway Exchange
Bldg.
Los Angeles, 300 Wholesale Terminal
Bldg.
†Louisville, 303 Coleman Bldg.
Memphis, 1101 Falls Bldg.

Milwaukee, 507 Federal Bldg.
Minneapolis, 103 Federal Office Bldg.
Newark, 1216 Broad St.
New Haven, 301 Federal Bldg.
New Orleans, 323 Custom House.
New York, 641 Washington St.
Norfolk, 300 Royster Bldg.
Omaha, 438 Keeline Bldg.
*Philadelphia, 600 Mariner and Mer-
chant Bldg.
Pittsburgh, 314 Fruit Exchange Bldg.
Portland, Oregon, 373 East Morrison St.
Providence, 307 State House.
Rochester, N. Y., 300 Terminal Bldg.
Sacramento, State Dept. of Agriculture.
St. Louis, 400 Old Custom House.
Salt Lake City, 306 Capitol Bldg.
San Diego, Navy Receiving Station,
Navy Pier.
San Francisco, Room 1, Ferry Bldg.
San Juan, P. R., 419 Ochoa Bldg.
Scranton, Chamber of Commerce Bldg.
Seattle, 415 Arctic Bldg.
Springfield, Mass., 33 Lyman St.
Toledo, 10 Main Post Office Bldg.
Trenton, 606 First Mechanics Bank.
†Tulsa, Room 217-218 Federal Bldg.
Washington, D. C., and Potomac Yards,
U. S. Bureau of Agric. Econ.
Wilkes-Barre, 206 Miners' Bank Bldg.

Note: Offices marked * are canned fruit and vegetable grading stations. Offices marked † grade canned tomatoes only. Jacksonville also grades canned grapefruit. San Juan grades canned grapefruit.

TRUCK CROP SHIPMENTS

Combined carlot movement of 34 products during the week ended June 7, decreased slightly to 15,590 cars, or about 5,400 cars lighter than output of a year ago.

A great increase was recorded in shipments of green corn. Texas' forwardings of this product reached 145 cars and a few came from Florida, with first cars of the season from Alabama. Movement of snap beans decreased slightly to about 450 cars, and was 330 cars lighter than a year ago. North Carolina led with 200 cars of beans last week, while South Carolina and Mississippi each shipped about 75, Florida 35 and Louisiana 20 cars. Shipments of green peas dropped to 180 cars. California moved 125 cars of peas, Virginia 30 and North Carolina 20 cars.

Movement of tomatoes doubled and was almost equal to the output of a year ago. The total was 1,180 cars, of which Mississippi forwarded 845, Texas 255, Florida 35, Ohio 15, and South Carolina, Louisiana and California about 10 cars each. Imports from Mexico dropped to 40 cars.

CARLOT SHIPMENTS

Commodity	May 29- June 4 1932	May 22-28 1932	May 31- June 6 1931	Total this season thru June 4	Total last season thru June 6	Total last season
Apples, total	345	407	331	100,799	100,308	100,794
Western states	260	312	201	46,811	66,113	66,538
Eastern states	79	95	30	53,988	43,195	43,256
Asparagus	29	51	49	4,106	3,633	3,866
Beans, snap and lima	449	517	781	8,746	6,914	9,845
Beets	38	59	75	1,155	1,448	1,703
Cabbage	301	465	657	12,342	18,056	37,817
Carrots:						
1932 season	215	343	382	6,720	8,111	11,485
1931 season	3	4	32	11,485	12,294	12,487
Cauliflower	18	45	7	9,739	9,605	9,011
Cherries	134	194	151	542	1,031	1,872
Corn, green	153	27	279	194	690	2,238
Cucumbers	335	463	539	1,720	2,893	6,480
Mixed vegetables	376	460	589	14,677	17,251	28,557
Peas, green	179	308	304	3,742	4,512	7,186
Peppers:						
Domestic	44	44	50	1,939	1,793	2,818
Imports	2	2	1	199	318	319
Plums and fresh prunes	236	67	368	303	688	6,107
Spinach	2	19	5	8,148	9,308	9,768
Tomatoes:						
Domestic	1,181	593	1,273	8,137	9,038	27,843
Imports	40	198	0	5,070	4,412	4,412
Turnips and rutabagas:						
Domestic	1	1	1	107	429	1,345
Imports	0	1	0	1,397	377	914

CAR LOADINGS

	Total	Miscellaneous	Merchandise L. C. L.	Other
Week ended May 28	520,962	195,535	180,490	144,937
Previous week	515,450	193,544	181,139	140,767
Corresponding week, 1931	711,249	281,925	197,219	232,105
Corresponding week, 1930	800,064	341,251	215,735	303,078

"DEBUNKING THE VITAMINS"

An article on vitamins by Dr. E. F. Kohman of the Association's Research Laboratory appears in the June issue of

Hygeia, a publication of the American Medical Association. Advance announcement of the article was given in the May issue of Hygeia, which stated:

"The befuddled consumer will do well to heed the admonition of a certain authority of the Bureau of Chemistry of the U. S. Department of Agriculture, to get his vitamins from the garden and orchard rather than the drug counter.

"So writes Dr. E. F. Kohman in the June Hygeia. Many have become too vitamin conscious. And the over-zealous have fallen into fallacies. If you read this article which explains the A. B. C.'s of the vitamin subject and then use your own common sense in eating, you can't go far wrong! You'll have so many vitamins you probably won't need any 'spring tonic.'"

The article brings out that the garden, the orchard, the sea and any other source of foods are adequately represented by canned foods.

CRAB MEAT INVESTIGATION ORDERED

In compliance with the Senate resolution adopted May 24, the U. S. Tariff Commission has ordered an investigation of crab meat, fresh or frozen (whether or not packed in ice), or prepared or preserved in any manner, including crab paste and crab sauce. The date of the public hearing, of which thirty days notice will be given, has not yet been fixed.

PRODUCTION OF SOVIET CANNING INDUSTRY LAGS

According to information contained in the June 1st issue of the "Economic Review of the Soviet Union," the output of canned foods during the first quarter amounted to 46,292,000 cans, as against the program of 68,100,000 cans. The plan for canning meat was only 59 per cent fulfilled and that for fish 56 per cent. The schedule for canning baked beans was exceeded by 4 per cent.

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